



# UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE  
United States Patent and Trademark Office  
Address: COMMISSIONER FOR PATENTS  
P.O. Box 1450  
Alexandria, Virginia 22313-1450  
[www.uspto.gov](http://www.uspto.gov)

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/608,356	06/29/2000	Yuri Smirnov	21113-04618	8906
22830	7590	12/03/2003	EXAMINER	
CARR & FERRELL LLP 2200 GENG ROAD PALO ALTO, CA 94303			HECK, MICHAEL C	
		ART UNIT	PAPER NUMBER	
		3623		

DATE MAILED: 12/03/2003

Please find below and/or attached an Office communication concerning this application or proceeding.

<b>Office Action Summary</b>	Application No.	Applicant(s)
	09/608,356	SMIRNOV, YURI
	Examiner Michael Heck	Art Unit 3623

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

1) Responsive to communication(s) filed on 10 November 2003.

2a) This action is FINAL.                    2b) This action is non-final.

3) Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

4) Claim(s) 1-67 is/are pending in the application.

4a) Of the above claim(s) 1-34, 36-38 and 41-49 is/are withdrawn from consideration.

5) Claim(s) \_\_\_\_\_ is/are allowed.

6) Claim(s) 35, 39, 40 and 50-67 is/are rejected.

7) Claim(s) \_\_\_\_\_ is/are objected to.

8) Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

9) The specification is objected to by the Examiner.

10) The drawing(s) filed on \_\_\_\_\_ is/are: a) accepted or b) objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11) The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. §§ 119 and 120**

12) Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).  
a) All    b) Some \* c) None of:  
1. Certified copies of the priority documents have been received.  
2. Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.  
3. Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).  
\* See the attached detailed Office action for a list of the certified copies not received.

13) Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application) since a specific reference was included in the first sentence of the specification or in an Application Data Sheet. 37 CFR 1.78.  
a) The translation of the foreign language provisional application has been received.

14) Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121 since a specific reference was included in the first sentence of the specification or in an Application Data Sheet. 37 CFR 1.78.

**Attachment(s)**

1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)	4) <input type="checkbox"/> Interview Summary (PTO-413) Paper No(s). _____
2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)	5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152)
3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449) Paper No(s) _____	6) <input type="checkbox"/> Other: _____

## **DETAILED ACTION**

### ***Response to Amendment***

1. Applicant's request for reconsideration of the finality of the rejection of the last Office action is persuasive and, therefore, the finality of that action is withdrawn. The following is an Office Action in response to the amendment filed 10 November 2003. The amendment canceled claims 1-34, 36-38, and 41-49, amended claims 35, 39, and 40, and added new claims 50-67. The applicant rewrote and changed the objected-to claims 35, 39, and 40 to incorporate all limitations of the rejected base independent claims. Claims 35, 39, 40, and 50-67 are pending in this application and have been examined on the merits as discussed below.

### ***Response to Arguments***

2. Applicant's arguments filed 10 November 2003 have been fully considered but they are not persuasive. Of note, the applicant canceled claim 45, which the argument was directed to. Applicant asserts the example of eBay is wholly inapposite in the instant case, because eBay merely provides an advertisement and auction mechanism connecting buyers and sellers, and does not provide any means for accomplishing the functions specified in the instant invention.

Independent claim 44 was rejected under 35 U.S.C. 103(a) as being unpatentable over Henson (U.S. Patent 6,167,383) and Teresko et al. (Teresko et al., Calico Technology: Concinity configuration/quotation system, Industry Week, Vol. 245, issue 23, December 16, 1996, p. 24-26 [PROQUEST]) in view of Conklin et al. (U.S. Patent 6,141,653), therefore, the functions specified in the invention in the instant invention was rejected. As to dependent claim 45 the claim merely asserts the systems of claim 44 are remotely located with respect to each other.

Art Unit: 3623

The examiner took Official Notice that it is old and well known in the Internet communication art to have the interface, engine, and supplier system remotely located with respect to each other. The examiner used eBay as an example of an Internet based platform where a customer can access eBay from their home, search, and select an item to bid on. The person selling the item is not located at the same place as the eBay Internet engine but like the customer has access to the system from their home or place of business to review the bid. The examiner demonstrated that the parties involved are remotely located from each other, that is, the customer interface, processing engine, and supplier system are remotely located with respect to each other.

***Claim Rejections - 35 USC § 103***

3. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

4. Claims 35, 50, 55, 56, 60, and 61 rejected under 35 U.S.C. 103(a) as being unpatentable over Henson (U.S. Patent 6,167,383) in view of Teresko et al. (Teresko et al., Calico Technology: Concinity configuration/quotation system, Industry Week, Vol. 245, issue 23, December 16, 1996, p. 24-26 [PROQUEST]). Henson discloses extended product configuration techniques comprising:

- [Claim 35] receiving into a configuration application of the seller a selected feature (Col. 2, lines 61-67, and Col. 6, lines 31-43, Henson teaches an online store application and system which includes a configuration module. The web-based online store has a user interface for enabling a custom configuration of a computer system based on the options selected according to a prescribed user input.);

- receiving over the Internet an automated response including an availability date that corresponds to the selected feature (Col. 2, lines 61-65, Col. 6, lines 35-67, and Col. 14, line 62 through to Col. 15, line 8, Henson teaches a web-based online store wherein if any item has a lead time over three weeks, the lead time flags would be set within the online store. The shipment delay indicator provides the customer with any lead-time warnings or shipment delays which would occur as a result of the selection of specific options. The warning icon and associated messaging are made present in the configurator once an update/refresh of the web page has been requested, for example, through clicking on any of a number of store navigation or action buttons. Online shoppers can click on the warning icon and receive an estimated time to delivery.); and
- updating an in-process bill of materials to reflect that selected feature (Col. 5, line 55 through to Col. 6, line 30, Henson teaches the configurator, shopping cart, and checkout are part of the commerce application and are driven by the database. The customer via the online store builds a custom configured machine by selecting from the options listed on the configuration screen. Upon obtaining a desired configuration, a customer adds the configured system to the shopping cart. Inherently, as the customer selects the features desired, the in-process configuration or bill of material is updated.).

Henson fails to disclose communicating to and receiving from a manufacturer the selected feature, wherein the availability date received from the manufacturer over the Internet is provided by a supply chain planning (SCP) system. Teresko et al. teaches manufacturers can extend their enterprise-resource-planning (ERP) systems out to the Internet. The Calico sales quotation and configuration software integrates with ERP systems and eliminates the need for sales and manufacturing to maintain separate configuration systems. The software enables customers to browse, configure, and buy complex products and services online without a sales representative (Page 24, Col. 3, Para 1 and 3, and Page 26, Col. 2, Para 3). The examiner interprets the ERP system to include the Material Requirements Planning (MRP) system, which is a supply chain planning system. It would have been obvious to one of ordinary skill in the art at the time of the applicant's invention to include communicating and receiving the selected

Art Unit: 3623

features from a manufacturer via the manufacturer's ERP system with Henson since the teaching of Teresko et al. teaches that it is old and well known in the sales quotation and configuration art that eliminating order errors improves customer satisfaction (Page 26, Col. 2, Para 2). Customer satisfaction remains one of the top priorities of a company. Having a customer driven product configuration system that is integrated with the manufacturing ERP system eliminates translation errors between sales and manufacturing. A fully integrated system would ensure customer satisfaction and reduce product returns since the product is being built to the directly communicated customer requirements.

- [Claim 50] repeating the steps of receiving into a configuration application a selected feature, communicating to a manufacturer the selected feature, receiving from the manufacturer an automated response including an availability date, and updating a number of times until the configuration is complete thereby yielding a completed bill of materials (Henson: Col. 8, lines 45-55 and Col 3, lines 1-12, Henson teaches the customer can modify, change and/or delete an option and temporarily store the configured computer system prior to checkout).
- [Claim 55] deriving, from the in-process bill of materials, an in-process manufacturing bill of materials that reflects the received availability date that corresponds to the selected feature (Teresko et al.: Page 26, Col. 2, Para 3, Teresko et al. teaches Calico sales quotation and configuration software integrates with ERP systems and eliminates the need for sales and manufacturing to maintain separate configuration systems. The examiner interprets the configuration system to be a bill of material system; therefore an in-process bill of material is the same as an in-process manufacturing bill of material.).
- [Claim 56] receiving a price that corresponds to the selected feature (Henson: Col. 2, line 61 through to Col. 3, line 12, Henson teaches a web-based online store enabling a customer to custom configure a computer system where options and a respective price for each option is presented).
- [Claim 60] a relationship between the customer and the seller has a configuration side associated with the customer, and a resource planning side associated with the seller, and that configuration side-resource planning side relationship is respectively one of a consumer-seller relationship, a seller-manufacturer relationship and a manufacturer-vendor relationship (Teresko et al.: Page 26, Col. 2, Para 3, Teresko et al. teaches Calico sales quotation and configuration software integrates with ERP systems and

Art Unit: 3623

eliminates the need for sales and manufacturing to maintain separate configuration systems. The examiner interprets Calico sales and quotation system to be a seller-manufacturer relationship.).

- [Claim 61] in response to the price of the selected feature being determined on the configuration side, deriving an in-process pricing bill of materials from the in-process bill of materials, wherein the in-process pricing bill of materials reflects the price of the selected feature (Teresko et al.: Page 26, Col. 2, Para 3, Teresko et al. teaches Calico sales quotation and configuration software integrates with ERP systems and eliminates the need for sales and manufacturing to maintain separate configuration systems. Henson: Col. 2, line 61 through to Col. 3, line 12, Henson teaches a web-based online store enabling a customer to custom configure a computer system where options and a respective price for each option is presented.); and
- in response to the price of the selected feature being determined on the resource planning side, deriving the in-process pricing bill of materials from an in-process manufacturing bill of materials that is derived from the in-process bill of materials and reflects the received availability date of the selected feature (Henson: Col. 2, line 61 through to Col. 3, line 12, and Col. 6, lines 31-67, Henson teaches a web-based online store enabling a customer to custom configure a computer system where options and a respective price for each option is presented. A shipment delay indicator provides the customer with any lead-time warnings or shipment delays associated with the selection of specific options and when the shopper clicks on the icon will receive an estimated time to delivery. Teresko et al.: Page 26, Col. 2, Para 3, Teresko et al. teaches Calico sales quotation and configuration software integrates with ERP systems and eliminates the need for sales and manufacturing to maintain separate configuration systems.).

5. Claims 39, 40, 62, and 65 are rejected under 35 U.S.C. 103(a) as being unpatentable over Henson (U.S. Patent 6,167,383) in view of Conklin et al. (U.S. Patent 6,141,653). Henson discloses extended product configuration techniques comprising:

- [Claim 39 and 40] receiving a feature selection (Col. 2, lines 61-67, and Col. 6, lines 31-43, Henson teaches an online store application and system which includes a configuration module. The web-based online store has a user interface for enabling a custom configuration of a computer system based on the options selected according to a prescribed user input.);
- updating an inventory library based upon the selection to reflect constraints imposed by the selection (Col. 5, line 55 through to Col. 6, line 30, Henson teaches the configurator, shopping cart, and checkout are part of the commerce application and

are driven by the database. The customer via the online store builds a custom configured machine by selecting from the options listed on the configuration screen. Upon obtaining a desired configuration, a customer adds the configured system to the shopping cart. Inherently, as the customer selects the features desired, the in-process configuration or bill of material is updated.);

- providing the selection to a supplier (Col. 4, lines 53-62 and Col. 6, lines 31-67, Henson teaches an enhanced online store user interface which enables the system configuration, pricing, and ordering of a computer system via the Internet. The examiner interprets the online store to be the supplier);
- receiving information from the supplier comprising at least one of availability date and price for the selection (Col. 6, lines 18-67, Henson teaches the pricing option module includes an update price function that causes the price displayed on the configuration screen to reflect any changes made to the system options. A shipment delay indicator provides the customer with any lead-time warnings or shipment delays which would occur as a result of the selection of specific options. Online shoppers can click on a long lead time icon that is displayed adjacent to each item affected and receive and estimated time to delivery.);
- updating at least one of a manufacturing bill of materials, a pricing bill of materials, and a configuration bill of materials based on the selection (Col. 5, line 55 through to Col. 6, line 30, Henson teaches the configurator, shopping cart, and checkout are part of the commerce application and are driven by the database. The customer via the online store builds a custom configured machine by selecting from the options listed on the configuration screen. Upon obtaining a desired configuration, a customer adds the configured system to the shopping cart. Inherently, as the customer selects the features desired, the in-process configuration or configuration bill of material is updated. ).

Henson fails to teach, where customer desires are not satisfied, providing at least one of a customer desired availability date and a customer desired price for the selection and displaying accommodation data from the supplier corresponding to the customer desires. In addition, specific to Claim 39, Henson fails to teach the customer desires comprise at least one of either a plurality of availability dates or a plurality of prices for the selected feature, and specific to claim 40, the step of receiving information on the selection from the supplier further comprises receiving from the supplier a plurality of availability dates and a plurality of prices for the

Art Unit: 3623

selected feature. Conklin et al. teaches a multivariate negotiation engine for iterative bargaining that enables participants such as a customer and supplier to search and evaluate supplier information, propose, and negotiate orders and counteroffers, and negotiate all the terms and conditions of a transaction. All multiple variables such as prices, terms, conditions, etc. are iteratively negotiated with a customer. An internal database contains the history of all transactions, so that sponsors, buyers, and sellers may retrieve appropriate records to document each stage of interaction and negotiation (Col. 13, line 66 through to Col. 14, line 31). The examiner interprets “iterative” in this application to mean repeating the process which means a plurality of availability dates and/or a plurality of prices are displayed over a periods of time and recorded until the process is complete. It is old and well known in the negotiation art to negotiate both price and delivery of product concurrently. Therefore, it would have been obvious to one of ordinary skill in the art at the time of the applicant’s invention to include a multivariate negotiation engine with Henson since the teachings of Conklin et al. teach that it is old and well known in the Internet communications art to have the capability to negotiate multiple variables such as prices, terms, conditions, etc. iteratively with a buyer (Abstract). Companies realize the cost advantage of doing business over the Internet. Allowing the customer to negotiate price, terms, conditions, etc. over the Internet would minimize the need for the customer to physically go to a company’s place of business. The customer having the ability to negotiate all aspects of doing business with the company over the Internet would reduce the overall cost of the transaction for both the customer and company.

- [Claim 62 and 65] wherein the pricing bill of materials is derived from the configuration bill of materials (Henson: Figure 1, Col. 4, line 53 through to Col. 5, line 5, Col. 6, lines 55-65, Henson teaches the entire configurator is driven by the database. The configurator includes a pricing module. The examiner interprets that

once a customer selects or configures their system the pricing module then established a price for the selected feature, therefore the pricing bill of material is derived from the configuration bill of material.).

6. Claims **52-54, 57-59, 63, 64, 66, and 67** are rejected under 35 U.S.C. 103(a) as being unpatentable over Henson (U.S. Patent 6,167,383) and Teresko et al. (Teresko et al., Calico Technology: Concinity configuration/quotation system, Industry Week, Vol. 245, issue 23, December 16, 1996, p. 24-26 [PROQUEST]) in view of Conklin et al. (U.S. Patent 6,141,653). As to claims 52-54 and 57-59, Henson and Teresko et al. disclose extended product configuration techniques but fail to teach in response to the received availability date or price being unsatisfactory to the customer, communicating a customer specified availability date or price to at least one of the seller and manufacturer; the availability date or price received from the manufacturer is in response to a customer specified availability date communicated to at least one of the seller and manufacturer; and the availability date received from the manufacturer or price received is in response to a customer specified price communicated to at least one of the seller and manufacturer. Conklin et al. teaches a multivariate negotiation engine for iterative bargaining that enables participants such as a customer and supplier to search and evaluate supplier information, propose, and negotiate orders and counteroffers. All multiple variables such as prices, terms, conditions, etc. are iteratively negotiated with a customer (Col. 13, line 66 through to Col. 14, line 31). It would have been obvious to one of ordinary skill in the art at the time of the applicant's invention to include a multivariate negotiation engine with Henson since the teachings of Conklin et al. teach that it is old and well known in the Internet communications art to have the capability to negotiate multiple variables such as prices, terms, conditions, etc.

Art Unit: 3623

iteratively with a buyer (Abstract). Companies realize the cost advantage of doing business over the Internet. Allowing the customer to negotiate price, terms, conditions, etc. over the Internet would minimize the need for the customer to physically go to a company's place of business. The customer having the ability to negotiate all aspects of doing business with the company over the Internet would reduce the overall cost of the transaction for both the customer and company.

- [Claim 63 and 66] the pricing bill of materials is derived from the manufacturing bill of materials (Teresko et al.: Page 26, Col. 2, Para 3, Teresko et al. teaches the Calico's Coincinity configuration/quotation software integrates with ERP systems and automatically translates bills of materials into constraint- and role- based models that can rapidly be deployed on the Internet. It eliminates the need for sales and manufacturing to maintain separate configuration systems. The examiner interprets that as the user selects their system the manufacturing bill of material supplies the information to the pricing module since the configuration/quotation system is fully integrated with the ERP system and the manufacturing bill of material.)
- [Claim 64 and 67] the step of updating at least one of a manufacturing bill of materials, a pricing bill of materials, and a configuration bill of materials is based upon the accommodation data from the supplier (Teresko et al.: Page 24, Col. 3, Para 1, and Page 26, Col. 2, Para 3, Teresko et al. teaches manufacturers can extend their enterprise-resource-planning (ERP) systems out to the Internet. The Calico sales quotation and configuration software integrates with ERP systems and automatically translates bills of materials into constraint- and role- based models that can rapidly be deployed on the Internet. The system eliminates the need for sales and manufacturing to maintain separate configuration systems. Conklin et al.: Col. 13, line 66 through to Col. 14, line 31, Conklin et al. teaches a multivariate negotiation engine for iterative bargaining that enables participants such as a customer and supplier to search and evaluate supplier information, propose, and negotiate orders and counteroffers. All multiple variables such as prices, terms, conditions, etc. are iteratively negotiated with a customer. Since the same configuration system is maintained between sales and manufacturing, then the supplier as being defined as the manufacturer can make accommodations.).

7. Claims 51 is rejected under 35 U.S.C. 103(a) as being unpatentable over Henson (U.S. Patent 6,167,383), Teresko et al. (Teresko et al., Calico Technology: Coincinity configuration/quotation system, Industry Week, Vol. 245, issue 23, December 16, 1996, p. 24-26

[PROQUEST]) and Conklin et al. (U.S. Patent 6,141,653), as applied to claim 35. The examiner takes Official Notice that it is old and well known in the manufacturing art to have a fully integrated ERP system that communicates changes across the entire supply chain. SAP is an example of a product design to fully integrate the resources of an enterprise. Therefore, it would have been obvious to one of ordinary skill in the art at the time of the applicant's invention to have a planning and control system that communication across the entire supply chain. Cycle time is an important measure of competitiveness of a company. Being able to reduce total cycle time becomes an advantage for companies. Having a fully integrated ERP system from sales down to the suppliers reduces the time for communicating all the requirements, therefore, giving the companies a competitive advantage.

### ***Conclusion***

8. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

- Dalal (WO 01/27796 A2) discloses a computer based method and system for optimizing request-promise workflows. The supplier entity upon receiving a request from a requesting entity for product optimizes its production and generates a promise for the supplies requested. The requesting entity then re-optimizes its production of the demand and generates a new request for the supplies if the promise does not satisfy the request. This process is repeated until the prom is satisfies the request.

Art Unit: 3623

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Michael C. Heck whose telephone number is (703) 305-8215. The examiner can normally be reached Monday thru Friday between the hours of 8:00am - 5:00pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Tariq R. Hafiz can be reached on (703) 305-9643.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is (703) 308-1113.

Any response to this action should be mailed to:

**Commissioner of Patents**  
**P.O. Box 1450**  
**Alexandria, Virginia 22313-1450**

Or faxed to:

**(703) 872-9306** [Official communications; including After Final communications labeled "Box AF"]

**(703) 746-9419** [Informal/Draft communication, labeled "PROPOSED" or "DRAFT"]

Hand delivered responses should be brought to Crystal Park 5, 2451 Crystal Drive, Arlington, Virginia, 7<sup>th</sup> floor receptionist.

mch  
24 November 2003

*SUSANNA DIZZ  
SUSANNA DIZZ  
Primary Examiner  
Art. 3623*